

INVESTAR HOLDING CORP

FORM 8-K (Current report filing)

Filed 09/24/14 for the Period Ending 09/24/14

Address	10500 COURSEY BLVD THIRD FLOOR BATON ROUGE, LA, 70816
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CIK	0001602658
Symbol	ISTR
SIC Code	6022 - State Commercial Banks
Industry	Banks
Sector	Financials
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): September 24, 2014

Investar Holding Corporation

(Exact name of registrant as specified in its charter)

Louisiana
(State or other jurisdiction
of incorporation)

001-36522
(Commission
File Number)

27-1560715
(I.R.S. Employer
Identification No.)

7244 Perkins Road
Baton Rouge, Louisiana 70808
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (225) 227-2222

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure

Investar Holding Corporation (the “Company”) has announced that John J. D’Angelo, Chief Executive Officer and President, will make a presentation regarding the Company at the 2014 Financial Institutions Conference hosted by the Society of Louisiana Certified Public Accountants to be held Wednesday, September 24, 2014 at the L’Auberge Hotel & Casino in Baton Rouge, Louisiana. The slides attached to this report as Exhibit 99.1 were prepared for the presentation.

The information in this report is being furnished, not filed, pursuant to Regulation FD. Accordingly, the information in Items 7.01 and 9.01 of this report will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by the Company that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company.

The exhibit to this report may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal securities law. It is important to note that the Company’s actual results could differ materially from those projected in such forward-looking statements. Factors that could affect those results include those mentioned in the Company’s Registration Statement on Form S-1 that the Company originally filed with the SEC on May 16, 2014 (and subsequently amended) and other documents that the Company has filed with the Securities and Exchange Commission. The Company does not intend to update these statements unless required by the securities laws to do so, and the Company undertakes no obligation to publicly release the result of any revisions to any such forward-looking statements that may be made to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Presentation slides to be used on September 24, 2014 at the 2014 Financial Institutions Conference hosted by the Society of Louisiana Certified Public Accountants

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INVESTAR HOLDING CORPORATION

Date: September 24, 2014

By: /s/ John J. D'Angelo

John J. D'Angelo

President and Chief Executive Officer



September 24, 2014



Forward-looking Statements



This presentation may include forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon current expectations and assumptions about our business that are subject to a variety of risks and uncertainties that could cause the actual results to differ materially from those described in this presentation. You should not rely on forward-looking statements as a prediction of future events.

Additional information regarding factors that could cause actual results to differ materially from those discussed in any forward looking statements are described in reports and registration statements we file with the SEC, including our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, copies of which are available on the Investar internet website <http://www.investarbank.com>.

We disclaim any obligation to update any forward-looking statements or any changes in events, conditions or circumstances upon which any forward-looking statement may be based except as required by law.

www.investarbank.com

NASDAQ: ISTR

We encourage everyone to visit the Investors Section of our website at www.investarbank.com, where we have posted additional important information such as press releases and SEC filings.

We intend to use our website to expedite public access to time-critical information regarding the Company in advance of or in lieu of distributing a press release or a filing with the SEC disclosing the same information.



Investar Holding Corporation Accomplishments



Since commencing operations in June 2006, Investar has successfully established a profitable commercial bank in multiple growth markets:

Firmly Established in Four Key Louisiana Markets

High Quality Organic Loan Portfolio

Very Strong Growth Complemented by Two Successful Acquisitions

Key Areas Staffed with Experienced Bankers

Nimble Institution Able to Shift Resources as Customers' Demands Change



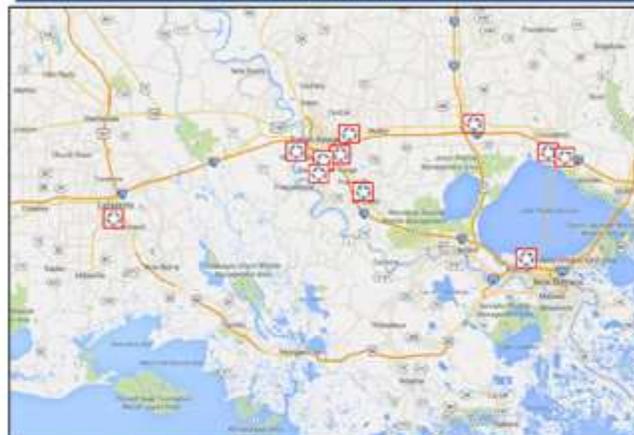
Franchise Overview



Franchise History

June 2006	June 2006 – Chartered with an initial capitalization of \$10.1 million
FY 2008	FY 2008 – Achieved profitability in second full year of operations
May 2009	May 2009 – Opened second branch in Baton Rouge
October 2011	2H 2011 – Opened two additional branches in Baton Rouge Market October 1, 2011 – Acquired South Louisiana Business Bank
December 2012	December 2012 – Entered the New Orleans market through the purchase of two closed branch locations and hiring of local bankers
May 2013	May 2013 – Entered the Hammond market through the acquisition of First Community Bank
July 2013	July 2013 – Entered Lafayette market by opening a de novo branch
July 2014	July 2014 – Successfully completed IPO
August 2014	August 2014 – Opened sixth branch in Baton Rouge Market

Branch Map



Current

- 11 full-service branches in the Baton Rouge, New Orleans, Hammond, and Lafayette markets
- 165 employees at 6/30/14
- One planned branch in 2014 and one in 2015
- 5-year CAGRs¹
 - Assets – 34.8%
 - Loans – 33.2%
 - Deposits – 35.2%

⁽¹⁾ For the five years ended December 31, 2013

- **Management**
 - Continue to add experienced bankers in new and existing markets
- **Market**
 - Southern Louisiana focus with complementary new market expansion
- **Growth**
 - Leverage existing infrastructure in four markets
 - Limited de novo branching
 - Opportunistic, disciplined acquisition strategy
- **Asset Quality**
 - Loan portfolio diversity
 - Disciplined credit philosophy – legacy delinquencies less than 1%
- **Profitability**
 - Expected to increase as investment in infrastructure has already been made

Attractive Markets – Baton Rouge



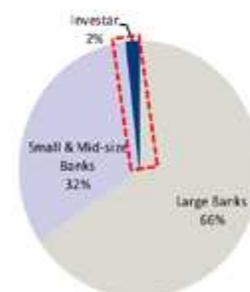
- **Baton Rouge is Louisiana’s second largest market by deposits and is the state capital**
 - The farthest inland deep-water port on the Mississippi River, Baton Rouge is a major center of commercial and industrial activity, especially for the chemical and gas industry
 - Center for research and development, renewable energy sources, transportation, construction, and distribution. IBM announced in March 2013 plans to locate a service center in downtown Baton Rouge resulting in 800 new direct jobs
 - In the July/August 2013 issue, *Business Facilities* magazine ranked Baton Rouge the No. 1 metro area in the United States for Economic Growth Potential

Deposit Market Share

Rank	Institution (ST)	Branches	Deposits (\$mm)	Market Share (%)
1	JPMorgan Chase & Co. (NY)	34	\$6,853	38.4%
2	Capital One Financial Corp. (VA)	28	3,140	17.6
3	Hancock Holding Co. (MS)	32	2,002	11.2
4	Regions Financial Corp. (AL)	27	1,831	10.3
5	IBERIA BANK Corp. (LA)	10	561	3.1
6	Investar Holding Corp. (LA)	5	327	1.8
7	American Gateway Finl Corp. (LA)	10	265	1.5
8	Bus. First Bancshares Inc. (LA)	1	259	1.5
9	First Guaranty Bancshares Inc. (LA)	5	225	1.3
10	Citizens Bancorp. Inc. (LA)	7	202	1.1
Total For Institutions In Market		245	17,848	

- **March 31, 2014 Deposits: \$355.2 million**
- **March 31, 2014 Loans: \$195.7**

Market Share Opportunity



Total Deposits: \$18.0 Billion

Note: Large banks defined as having over \$50 billion in assets
Source: SNL Financial. Deposit data as of June 30, 2013

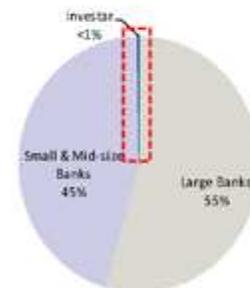
Attractive Markets – New Orleans

- **New Orleans is Louisiana’s largest city by population and deposits**
 - Economy is driven by the hospitality and tourism industries – in 2012, nine million visitors spent a record \$6.0 billion in New Orleans
 - Fifth largest port in the United States by cargo tonnage and becoming a major port for the cruise industry, currently ranked the sixth largest U.S. cruise port
 - In April, 2013, *Bloomberg Rankings* ranked the New Orleans metropolitan area No. 2 in its list of Top 12 American Boomtowns, and *Forbes* ranked New Orleans sixth in its October 2013 listing of cities creating the most middle class jobs

Deposit Market Share

Rank	Institution (ST)	Branches	Deposits (\$mm)	Market Share (%)
1	Capital One Financial Corp. (VA)	53	10,391	32.4%
2	Hancock Holding Co. (MS)	45	4,927	15.4
3	JPMorgan Chase & Co. (NY)	37	4,692	14.6
4	Regions Financial Corp. (AL)	34	2,380	7.4
5	First NBC Bank Holding Co. (LA)	26	2,289	7.1
6	IBERIABANK Corp. (LA)	23	1,515	4.7
7	Gulf Coast B&TC (LA)	15	801	2.5
8	Fidelity Homestead SB (LA)	15	679	2.1
9	CB&T Holding Corp. (LA)	3	667	2.1
10	First Trust Corp. (LA)	8	507	1.6
26	Investar Holding Corp. (LA)	3	60	0.2
Total For Institutions In Market		364	32,050	

Market Share Opportunity



Total Deposits: \$32.0 Billion

- **March 31, 2014 Deposits: \$81.5 million**
- **March 31, 2014 Loans: \$110.8 million**

Note: Large banks defined as having over \$50 billion in assets
Source: SNL Financial. Deposit data as of June 30, 2013

Attractive Markets – Hammond



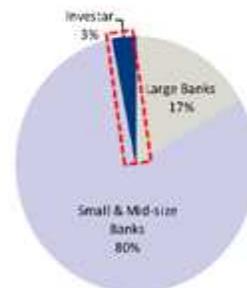
- **Hammond is the commercial hub of a large agricultural segment of Louisiana**
 - Home to Southeastern Louisiana University (14,000 undergraduates)
 - The economy has evolved from primarily agricultural to a major distribution hub
 - Home to several large distribution centers including Wal-Mart, Home Depot and Winn Dixie

Deposit Market Share

Rank	Institution (ST)	Branches	Deposits (\$mm)	Market Share (%)
1	First Guaranty Bancshares Inc. (LA)	8	630	39.4%
2	Hancock Holding Co. (MS)	6	193	12.1
3	First NBC Bank Holding Co. (LA)	4	181	11.3
4	FPB Financial Corp. (LA)	4	166	10.4
5	Regions Financial Corp. (AL)	4	136	8.5
6	Capital One Financial Corp. (VA)	2	73	4.6
7	First Trust Corp. (LA)	2	64	4.0
8	JPMorgan Chase & Co. (NY)	2	56	3.5
9	Investar Holding Corp. (LA)	1	51	3.2
10	Fidelity Homestead SB (LA)	2	23	1.4
Total For Institutions In Market		39	1,599	

- **March 31, 2014 Deposits: \$83.8 million**
- **March 31, 2014 Loans: \$56.1 million**

Market Share Opportunity



Total Deposits: \$1.6 Billion

Note: Large banks defined as having over \$50 billion in assets
Source: SNL Financial. Deposit data as of June 30, 2013

Attractive Markets – Lafayette



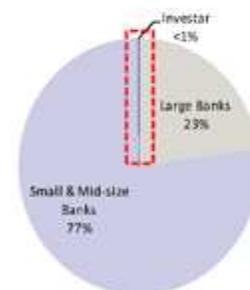
- **Lafayette is Louisiana’s third largest city by population and deposits**
 - The economy is historically driven by the oil and gas industry, but healthcare now provides the most private sector jobs
 - Experiencing economic diversification as the healthcare sector grows and companies such as Bell Helicopter open plants in Lafayette
 - In *Area Development* magazine’s 2013 “Leading Locations” study focusing on U.S. cities emerging from the recession, Lafayette received the top overall ranking due to the growth of the healthcare industry, including the completion and renovation of two medical centers and an unemployment rate of 3.5%

Deposit Market Share

Rank	Institution (ST)	Branches	Deposits (\$mm)	Market Share (%)
1	IBERIBANK Corp. (LA)	29	2,725	27.3%
2	JPMorgan Chase & Co. (NY)	19	1,205	12.1
3	MidSouth Bancorp Inc. (LA)	17	640	6.4
4	Capital One Financial Corp. (VA)	10	624	6.3
5	Hancock Holding Co. (MS)	9	516	5.2
6	Home Bancorp Inc. (LA)	9	514	5.2
7	Financial Corp. of Louisiana (LA)	10	505	5.1
8	Regions Financial Corp. (AL)	8	448	4.5
9	Gulf Coast Bancshares Inc. (LA)	15	319	3.2
10	Bank of Commerce & IC (LA)	5	291	2.9
35	Investar Holding Corp. (LA)	1	6	0.1
Total For Institutions in Market		203	9,998	

- **March 31, 2014 Deposits: \$43.6 million**
March 31, 2014 Loans: \$15.6 million

Market Share Opportunity



Total Deposits: \$10.0 Billion

Note: Large banks defined as having over \$50 billion in assets
Source: SNL Financial. Deposit data as of June 30, 2013

Growth Has Been the Story

Total Assets



Gross Loans



Note: Grey shading denotes the marked value of acquired assets and loans on date of the respective acquisitions of South Louisiana Bank (closed on October 1, 2011) and First Community Bank (closed on May 1, 2013).

Opportunistic Acquirer



- Two whole bank transactions since 2011
- Processes and infrastructure established to analyze selective opportunities going forward

South Louisiana Business Bank

- Announced: June, 2011
- Closed: October, 2011
- 1 Branch in Prairieville, LA
- \$31.5 million in gross loans¹
- \$38.6 million in deposits¹

Rationale

- Entered Ascension Parish with 3.4% deposit market share
- Capital accretive
- Management talent

First Community Bank

- Announced: January, 2013
- Closed: May, 2013
- 2 Branches – Hammond and Mandeville, LA
- \$77.5 million in gross loans¹
- \$86.5 million in deposits¹

Rationale

- Recorded bargain purchase gain (86% of book value)
- Initial entrance into Hammond market plus another location in the New Orleans MSA

Current Landscape

- Focused on existing footprint and complementary markets in Southern Louisiana
- 63% of Louisiana-headquartered banks < \$250 million in assets²
- 83% of Louisiana-headquartered banks < \$500 million in assets²

(1) Based on fair values at time of closing
(2) As of March 31, 2014

Acquisition Strategy

- Return of investment in 3-5 years
- Geography primarily in our existing markets in Southern Louisiana
- We will consider expansion into other markets if presented with an attractive acquisition opportunity
- Good partners that agree with our culture and strategy
- Banks with asset size of \$500,000,000 and below